

## What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account, which may be less expensive than our standard overdraft practices. To learn more, ask us about this plan. This notice explains our standard overdraft practices.

### What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

### What fees will I be charged if Brady National Bank pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of up to **\$25.00** each time we pay a check, ACH or other items not including ATM and everyday debit card transactions.
- We will charge you a fee of up to **\$25.00** each time we pay an ATM or everyday debit card transaction.

The maximum fees we will charge you for overdrawing your account is up to **\$150.00** per day.

Transactions Covered with Overdraft Privilege	Standard Coverage (No action required)	Extended Coverage (Your consent required)*
Checks	X	X
ACH - Auto Debits	X	X
Recurring Debit Card Payments	X	X
Online Bill Pay Items	X	X
Internet Banking Transfers	X	X
Telephone Banking	X	X
Teller Window Transactions	X	X
ATM Withdrawals		X*
Everyday Debit Card Purchases		X*

\*If you choose Extended Coverage, all the transaction types listed in Standard Coverage are included, along with ATM withdrawals and everyday debit card transactions.

You can discontinue the Overdraft Privilege in its entirety by contacting us at (325) 597-2104 or sending us an e-mail at [customerservice@bradynationalbank.com](mailto:customerservice@bradynationalbank.com).

## **What Else You Should Know**

- We post items in the following order: 1) Credits, 2) ATM transactions, 3) Debit cards (one-time followed by recurring), 4) ACH items (order received), 5) checks (serial number order). Checks that are converted into electronic transactions by merchants are posted with ACH items. The order in which transactions are posted may impact the total amount of overdraft or return fees assessed.
- A link to another account is a less expensive option than an overdraft.
- A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts.
- For consumer accounts, there is a daily maximum of \$150 in non-sufficient fund (NSF) or overdraft fees that we will charge customers (ODP or non-ODP). We will not charge an overdraft fee if a consumer account is overdrawn by \$5 or less.
- Good account management is the best way to avoid overdrafts. Use our mobile banking, Internet banking, and telephone banking services to keep track of your balance.
- The \$25 Overdraft fee is the same fee that would be charged if a check was returned as unpaid. If multiple items would overdraw your account on the same day, each item would be assessed an appropriate Overdraft fee or NSF fee of \$25. All fees and charges will be included as part of the Overdraft Privilege limit amount. Your account may become overdrawn in excess of the Overdraft Privilege limit amount as a result of a fee.
- Even if you have overdraft protection through a link to another account, Overdraft Privilege is still available as secondary coverage if the other protection source is exhausted.
- Although under payment system rules, Brady National Bank may be obligated to pay some unauthorized debit card transactions, Brady National Bank will not authorize debit card or ATM transactions unless there are available funds (including Overdraft Coverage Options) to cover the transactions and any fee(s).
- Giving us your consent to pay every day debit card and ATM overdrafts may result in you incurring overdraft fees for transactions that we would otherwise be required to pay without assessing an overdraft fee. However, this would allow us to authorize transactions up to the amount of your Overdraft Privilege limit and may also help you avoid overdrafts in excess of your available funds that could result in restriction of your debit card.

- Except as described in this letter, Brady National Bank will not pay items if your account does not contain available funds (including the Overdraft Privilege limit) to cover the item(s) and the amount of any fee(s).
- We may restrict your debit card use if you incur overdrafts in excess of the available funds in your account, including any Overdraft Privilege limit.
- Brady National Bank will place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) or as permitted by payment system rules. In some cases, the hold may exceed the amount of the transaction.
- Overdraft Privilege is not a line of credit; it is a discretionary overdraft service that can be withdrawn at any time without prior notice.
- Overdraft Privilege may be discontinued if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within thirty-five (35) days for a minimum of one business day.
- Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all overdraft and fee amounts, as described in the Deposit Account and Disclosure Agreement. The total (negative) balance, including all fees and charges, is due and payable upon demand.

Please contact us at (325) 597-2104 or come by the bank to discuss your options.